

**Appln No. 09/688,452**

**Amdt date December 13, 2004**

**Reply to Office action of July 12, 2004**

this application, and respectfully request allowance of the same.

Independent claim 1 recites, among other limitations, "a cryptographic device remote from the plurality of user terminals and coupled to the computer network, wherein the cryptographic device includes a computer executable code for authenticating one or more users and verifying that the authenticated user is authorized to assume a role, and wherein the cryptographic device is capable of performing value management functions for one or more users." Claim 1 further includes the limitation that "the cryptographic device is not dedicated to particular user terminals." Remaining independent claims 30 and 57 include similar limitations. The Examiner admits in paragraph 4 of the July 12, 2004 Office Action that "Whitehouse fails to teach a cryptographic device [that] includes a computer executable code for authenticating one or more users and verifying that the authenticated user is authorized to assume a role."

Further, in his "Response to Arguments" set forth in paragraph 33 of the Office Action, the Examiner submits: "Whitehouse as well as Leon teach among other things a system for electronic distribution of postage includes [sic] at least one secure central computer [sic] include cryptographic device for generating postal indicia in response to postage requests submitted by end user computers . . . ." Applicants respectfully disagree with the Examiner's characterization of the cited references, and request that the rejections be withdrawn.

In particular, contrary to the Examiner's assertion, Leon specifically discloses localized secure metering devices (SMDs).

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These SMDs are dedicated to a localized computer system, and are intended to be localized -- not remote -- from the user terminals. See, Leon, Figs. 1A, 1B, 3A and 3B. Leon's dedicated SMD connects to the user's computer as an external hardware device or circuit card that is portable. The SMD couples to the personal computer via a communications link 122 that can be a serial link such as an RS-232 interface. By carefully partitioning the various features of the metering system, Leon teaches that the SMD can be manufactured in a relatively small size and low cost unit. See Leon, col. 2, lines 29-40, col. 3, line 61- col. 4, line 20, FIGs. 1A and 1B. In Leon's system, each SMD performs state functions. See Leon, cols. 9, 10. Accordingly, in Leon's system, depending on the number of users, there may be thousands of individual localized SMDs attached to each user's PC, each one dedicated and local to a specific user or user terminal. Leon therefore fails to disclose elements of Applicants' invention, and cannot be properly combined with Whitehouse. Leon further discloses a system that is completely different from Whitehouse, and is specifically taught away from by Whitehouse. Accordingly, as the Examiner's argument is expressly refuted by the disclosure of Leon, Applicants request that the Examiner withdraw the rejection of the claims based upon Whitehouse and Leon.

Furthermore, dependent claim 12 states that the cryptographic device is stateless, further distinguishing the claimed combinations from the disclosures of Whitehouse and Leon.

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In view of the foregoing remarks, Applicants respectfully submit that this application is now in condition for allowance, and accordingly request early issuance of a Notice of Allowance.

Respectfully submitted,

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